

Statement of
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before the Subcommittee on
Forests and Forest Health
Committee on Resources
United States House of Representatives

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Concerning

The Future of National Forest Timber Sales

Madam Chairman and Members of the Subcommittee:

Thank you for the opportunity to participate in a roundtable discussion regarding the future of timber sales on national forests. I am Ann Bartuska, Director of Forest Management for the Forest Service.

It is an appropriate time to consider the future of the national forest timber sales program. Over the last decade, the program has changed dramatically and pressures for further change continue. There are currently groups who argue that we should not have timber sales on the national forests. As an Agency, we have repeatedly affirmed our belief that such a policy would be ill advised.

Our primary focus during the 1960's through the 1980's was on removing sawlogs; i.e., larger, older growth trees. Today, we use harvesting as a tool to accomplish multiple land health objectives involving the removal of much smaller diameter logs. As a result, our timber sale program size has declined. A decade ago, we were offering nearly 12 billion board feet (BBF) of timber annually. We have learned, however, that this level of harvesting was ecologically and socially unsustainable. Today's volume is closer to 3 BBF per year.

In the past, clearcutting was the primary silvicultural treatment. For example, in 1990, clearcutting represented the preferred harvest method on 25 percent of our timber sale acres. By 1999, the use of clearcutting had declined to 8.9 percent. Today, more

environmentally friendly selective harvesting is done. While this practice may cause higher costs and lower outputs, we actually achieve more land health objectives and thereby more effectively meet our mission of caring for the land and serving people. Moreover, the American people, who own these lands, are more supportive of this practice.

Significant treatment opportunities exist on the national forests to help address risks from insects, disease, and catastrophic wildfire. We estimate that nationwide resource values on some 24 million acres of national forest land are at high risk of loss due to insects and disease. We define "high risk" as mortality that may exceed 25 percent of expected background (or normal) rates over the next 15 years. Just within the Interior West, we estimate that resource values on some 24 million acres are at high risk of loss from large-scale wildfires, and values on an additional 32 million acres are at moderate risk. The area of overlap between insect and disease risk and fire risk is unknown at this time. On many of these high-risk acres, high stand densities, principally caused by past timber management and decades of fire suppression, are a major contributor to heightened risk. It is essential to understand that this high stand density is due to an overgrowth of small diameter trees that are most often of no, or of limited, economic value. Therefore, the commercial timber sale contract is of limited utility to address the problem. Nonetheless, in many instances, these stands will require thinning before other management tools, such as prescribed burning, can be applied to restore healthy, ecologically functioning forests.

Timber sales may sometimes represent the "least net cost" way of attaining various land management objectives other than fiber production. In other cases, other treatments such as prescribed fire, use of chemical herbicides and pesticides, and use of mechanical treatments are preferred tools to accomplish land health objectives.

The removal of woody vegetation and small diameter trees, whether through the use of a timber sale or some other contract mechanism, such as service contracts that prescribe land treatments and separate the "log from the logger," can help sustain rural, resource-dependent communities. Through Forest Service and industry research and adjustments made by the forest products industry, we are discovering ways to use small diameter and other "underutilized" material. We need to continue to move away from controversial timber sales of the past that often employed clearcutting or extensive old growth removal and work cooperatively with industry and environmental interests to treat overly dense forest stands.

Americans have a voracious appetite for wood products. U.S. citizens now consume more resources than at any time in our history. We consume more per capita than almost any other country. Since the first Earth Day in 1970, the size of the average family in the U.S. has dropped by 16 percent, but the size of the average newly constructed single-family home has increased by 48 percent. We must couple our efforts to practice more environmentally sensitive forestry with efforts to reduce consumption of wood fiber.

The FY 2001 President's budget includes a bio-energy, bio-based products initiative to accelerate the development and use of bio-based technologies, which convert crops, trees,

and other biomass into a vast array of fuels and products. As part of this initiative, \$9.5 million in research on faster-growing trees and the use of small-diameter trees for commercial bio-based products will be conducted.

In light of the changing focus of our forest management program, we are making an effort to better utilize our existing legal authorities to accomplish land management objectives. The Forest Service has traditionally used two tools to accomplish its vegetative management objectives – i.e., the standard timber sale and service contracts. However, in today's environment, both of these tools have drawbacks. The timber sale contract presumes that the material to be removed has commercial value, and increasingly this is not the case. When costs of timber sale preparation exceed value, many question the validity of the sale. Indeed, below cost timber sales have been a public policy issue long subject to debate.

Additionally, the statutory authority governing timber sales strictly limits the types of activities that a contractor can be required to perform under the terms of the contract. These must be related to removal of the timber being sold. This statutory limitation restricts our ability to implement an array of land management activities through a single timber sale contract.

In contrast, the service contract is a very flexible and powerful tool, but we must learn to make better and more extensive use of it to accomplish our land health objectives. Adequate funding must be available up-front to pay for the services obtained through a service contract. This requires a willingness on the part of Congress and the American people to make investments in land health. These investments may not yield the same immediate level of economic value as in the past, but their long-term dividends in terms of healthy, diverse, and properly functioning landscapes are immense. In addition, with more funding we can help assure more stability for the operators.

We are currently looking at ways to make service contracts more efficient, which we do not believe will require new legal authorities. For the Forest Service, contract preparation and administration costs should decline – as should the costs required to have various activities performed. For local communities, opportunities for ensuring stable, year-around employment should increase.

Section 347 of the Omnibus Appropriations Act for FY 1999 gave the Forest Service the authority to implement up to 28 stewardship contracting pilot projects and also provided an array of new processes and procedures that could be tested in connection with these pilots – e.g., trading of goods for services, retention of receipts, and best value award of contracts. At this point, we have our full complement of pilot projects underway, and we are generally encouraged by the early results, although some problems have been encountered. New coalitions are emerging around many of the pilot projects. The focus of attention is shifting towards clarifying joint expectations as to what the condition of the land should be following treatment. Still, while stewardship contract pilot projects are an important experiment in alternative contracting requirements, the projects should not be allowed to become solely an exercise in encouraging and promoting commodity-

purpose timber sales to pay for restorative costs on other parts of the forests. These projects are also still only in the pilot phase. Expanding them without evaluating and learning from on-going projects could undermine collaborative efforts to address forest health issues.

I believe timber sales do have a continuing role to play on the national forests – but their future role may be considerably different from their past role. In the past, most timber sales were made primarily to provide commercially valuable fiber in response to the nation's demand for wood, and to help create a forest structure that favored continued timber production. In the future, most timber sales will likely be made primarily to help achieve various land management goals that require manipulating the existing vegetation. Finding a way to ensure a reasonably stable supply of wood while protecting these sensitive and critically important watersheds is our mandate and essential to our long-term success. However, we cannot go it alone. We need communities and the private sector support to help the Agency do the work needed on the national forests. Increased collaboration will be a key. In addition, the lessons we learn from the multiparty monitoring and evaluation phase of the stewardship pilots could prove helpful. We must continue to develop methods and procedures that promote collaboration and minimize controversy that has plagued the agency. However, I believe that if we wish to ensure the future health and sustainability of our national forests and our rural communities, we have no choice but to succeed – as Mike Dombeck has stated, failure is not an option.

This concludes my statement. I would be happy to answer any questions you may have.